Granting Special Loans to Coffee Planters in the Mysore State.

Proceedings of the Government of His Highness the Maharaja of Mysore.

READ—

Letter No. 773, dated 17th March 1917, from the Chairman of the Mysore Chamber of Commerce, regarding the embargo on coffee shipments.

2. Correspondence ending with No. 3838, dated 5th December 1917, from the First Assistant Resident, intimating that the Shipping Controller was unable to give even secondary preference to coffee.

3. The several representations from the Mysore Chamber of Commerce, individual Coffee Planters, and Associations of Planters in Mysore.

4. Correspondence on the subject ending with Memo No. 823, dated 7th March 1918, from the First Assistant to the Hon'ble the Resident intimating the views of the Government of India regarding assistance to coffee industry in Madras and Coorg.

Order No. Fl. 6456-68, dated 2nd May 1918.

After carefully considering all the aspects of the case, the Government of His Highness the Maharaja are of opinion that a system of loan on the analogy of the Taccavi system is the most suitable and practicable form of help to be offered.

2. The following scheme of granting advances to coffee planters in Mysore is accordingly sanctioned :—

(i) The loans will be granted under the Taccavi Loan Rules framed under Section 194 of the Mysore Land Revenue Code and printed in Chapter XII of the Mysore Revenue Manual, subject to the modifications introduced by this order.

(ii) Loans under this order will be disbursed only in cases in which Government help is considered absolutely necessary, and the amount of loan will be limited to such sum as is found essential after taking account of all other resources to enable the applicant to maintain his estate without serious deterioration.

(iii) The loans will be calculated at a rate not exceeding Rs. 30 per acre on the acreage under coffee crop fully worked in 1917-18 and expected to be harvested in 1918-19.

The actual rate will depend on the nature of the estate, the prospects of crop on the estate in 1918-19 and the aggregate area in respect of which applications for assistance may be received.

The maximum limit prescribed in the Taccavi Loan Rules for individual loans will not apply.

(iv) The loans will be repayable in one instalment discharging both principal and interest after the sale of crop for 1918-19. In cases of absolute necessity, the period may be extended to April 1920 with the special sanction of Government in each case.

(v) The rate of interest to be charged will be 6¼ per cent per annum.

(vi) The land itself, the crop thereon and such further collateral security as may be considered necessary to ensure timely recovery of the loan, will be taken as security in each case. Printed forms of application (Annexure A) and security bonds (Annexures B_1 and B_2), will be supplied to facilitate the completion of transactions. In the case of estates previously mortgaged, the consent of the mortgagee will be required to the Government loan being treated as the first charge on the estate. The mortgagee's consent should be obtained in the prescribed form (Annexure C) and attached to the application for loan. In cases in which the applicant is unable to furnish land as security, the application should be submitted for the order of Government, whatever the amount of the loan applied for may be.

(vii) The loans will be advanced in monthly instalments as shown below from June 1918 to March 1919 :—

8⅓ per cent in June 1918.	12½ per cent in November 1918.
8⅓ per cent in July 1918.	12½ per cent in December 1918.
8⅓ per cent in August 1918.	8⅓ per cent in January 1919.
12½ per cent in September 1918.	8⅓ per cent in February 1919.
12½ per cent in October 1918.	8⅓ per cent in March 1919.

Small variations in the amount of instalments may be sanctioned by the Special Officer in cases coming under his power of sanction.

(viii) To ensure expeditious disposal of the loan applications under this order a Special Officer will be appointed for the purpose of receiving them and for working the scheme. A Committee including representative Coffee Planters of the districts of Kadur and Hassan will be associated with the Special Officer. The Special Officer will be empowered to sanction loans up to Rs. 5,000 after consulting the Committee. Applications for higher amounts should be forwarded to Government for sanction through the Deputy Commissioner concerned with the recommendation of the Special Officer and the Committee. The Special Officer will submit to Government a weekly progress report of all applications in the form attached (Annexure D).

(ix) According to the desire of the borrower, instalments of the loan will be disbursed through any treasury of the Mysore Government named by him or the Bank of Mysore. Repayments may also be made at any Government treasury within the State or through the Bank of Mysore.

(x) Every person who takes a loan under this order will be expected to spend the full amount for growing the coffee crop of 1918-19 on the estate in respect of which the loan is taken. He shall maintain a regular account of the amounts drawn and produce such accounts for inspection when required to do so by any one authorized by Government in that behalf.

3. The Deputy Commissioners of Kadur and Hassan will give publicity to this scheme within their respective districts and render all necessary help to the Special Officer.

4. The Special Officer will call for applications from those requiring help, in the form annexed hereto. Applications not in the prescribed form or those received after 30th June 1918, will not be considered. Before 10th July 1918, the Special Officer will submit to Government a list of all applications for loans in the form attached to this order (Annexure E).

5. After considering the aggregate amount of applications and the funds available, Government will decide the actual scale at which it will be possible to make advances to various classes of estates. The instalments payable from September 1918 onwards will be regulated accordingly so that the total loan sanctioned in any case may not be exceeded. The instalments for June, July and August may be paid at rates not exceeding Rs. 2 per acre per month at the discretion of the Special Officer after proper documents are executed. The loan order will be in the form given in Annexure F. It will be issued to the party in the first instance with the instalments for June, July and August only filled in. After the application is finally dealt with, the Special Officer will communicate the fact to the party who will be asked to produce the loan order before the Special Officer. The further instalments will then be entered by the Special Officer in the proper cages and the loan order issued in a complete form. In addition to the acknowledgment for each instalment in the proper cage of the loan order, the party will give separate receipts for each instalment to serve as treasury vouchers.

6. It must be clearly understood that the grant of loans under the scheme now sanctioned does not commit the Government of His Highness the Maharaja to the continuance of such loans in the next and following years.

J. S. CHAKRAVARTI,
Financial Secretary to Government.

To—The Comptroller.
The Revenue Commissioner.
The Deputy Commissioners of Districts.
The Chairman, Mysore Chamber of Commerce.
The Manager, Mysore Bank.
The Secretary, E. & A.
The Heads of Departments.

ANNEXURE A.

Form of Application for Special Coffee Loan under Government Order No. dated

1. Name, father's name and residence of applicant.
2. Amount of loan required.
3. Object for which the loan is required.
4. Nature and extent of right of applicant in the estate for which the loan is required.
5. If it is desired that the instalments prescribed by Government are to be varied, the amount of the instalments desired.
6. Place where the instalments of the loan are required, whether in any Government Treasury or in the Mysore Bank.
7. Proposed place of repayment of the loan.
8. Proposed time of repayment.
9. Security.

I. The estate in respect of which the loan is required offered as primary security.

(*a*) Survey number.
(*b*) Total area of the estate.
(*c*) Area fully worked for coffee in 1917-18.
(*d*) Area proposed to be worked for coffee in 1918-19.
(*e*) Assessment.
(*f*) Name of the registered holder.
(*g*) Particulars of mortgages existing.
(*h*) Whether the consent of the previous mortgagee has been obtained for treating the Government advance as the first charge.
(*i*) Whether any arrears of revenue are due on the land.

II. Crop for 1918-19, offered as collateral security.

(*a*) Estimate of crop for 1918-19.
(*b*) Estimated value.
(*c*) Condition in which the crop is proposed to be disposed of.
(*d*) Proposed method of disposal.
(*e*) Approximate date of disposal.
(*f*) Amount of crop for 1917-18 and value realized or expected to be realized.

III. Any other lands or other immovable property offered as collateral security.

(*a*) Survey number.
(*b*) Area.
(*c*) Assessment.
(*d*) Name of the registered holder.
(*e*) Particulars of mortgages existing.
(*f*) Whether any arrears of revenue are due on the land.
(*g*) Other particulars.

IV. Personal.

(*a*) Name of surety.
(*b*) Father's name.
(*c*) Occupation.
(*d*) Residence.
(*e*) Amount for which he stands surety.

10. Whether the applicant has taken any loan from Government or a State aided Agricultural Bank, and, if so, for what purpose and on what security.
11. Remarks.

Date

Signature.

Address.

ENCLOSURE.

ANNEXURE B1.

SECURITY BOND TO BE EXECUTED BY A BORROWER OR BORROWERS OF COFFEE LOANS UNDER G. O. No.

THIS instrument made the... .....day of.....191.....
Between.....of..... ..(hereinafter called "the mortgagor") of the one part and the Dewan of Mysore (hereinafter called "the mortgagee") of the other part.

Whereas the mortgagor $\frac{\text{has}}{\text{have}}$ received from the Special Officer acting for and on behalf of the mortgagee an order under Government Order No....., dated the..... day of.....191....in virtue of which the mortgagor $\frac{\text{is}}{\text{are}}$ entitled to receive the aggregate sum of Rs.....as a loan from the mortgagee for the purpose of (here describe the work to be carried out or other object of the loan) and whereas security for the due application of the amount of the said loan and for the punctual repayment of the same according to the terms of said order is demanded by or on behalf of the mortgagee, and in order to furnish such security the mortgagor has agreed to sign these presents.

Now these presents witness that in consideration of the said loan and in pursuance of the said agreement the mortgagor doth hereby transfer to the mortgagee, his successors and assigns, the immovable property described in the Schedule A hereunder written and the appurtenances thereto as well as the coffee crop growing in or upon the said scheduled immovable property to hold the same by way of security subject to redemption as hereinafter mentioned.

And it is hereby agreed that if the mortgagor $\frac{\text{his}}{\text{their}}$ legal representatives and assigns shall duly comply with the terms on which the said loan has been granted and shall apply the same and every part thereof in the manner provided in the said order and shall duly repay the amount of the said loan together with any interest which may have become payable thereon or on any part thereof and all costs, if any, incurred by the mortgagee, his successors or assigns in making the said loan or otherwise in connection therewith the mortgagee, his successors or assigns shall thereupon retransfer the said immovable property and the crops, if any, then standing thereon to the mortgagor, his legal representatives or assigns or as he or they shall direct.

The mortgagor does further mortgage by way of additional security for the repayment of the said loan, the immovable property described in Schedule B hereunder written subject to redemption on the same terms and conditions on which the immovable property described in Schedule A hereunder written is liable to be redeemed.

[The above clause to be inserted in the event of other immovable property of the borrower being offered as collateral security.]

Provided always and it is hereby agreed that in case the mortgagor, his legal representatives or assigns shall fail to comply with the terms on which the said loan has been granted either by applying the amount thereof or any part thereof otherwise than as in the said order provided or shall not duly repay the amount of the said loan or any part thereof or any interest thereon or on any part thereof or any such costs as aforesaid then and in any such case it shall be lawful for the mortgagee, his successors and assigns or the Deputy Commissioner for the time being of.....to sell the said immovable property as described in Schedule A or any part thereof with or without the crops standing, if any, thereon (or other immovable property offered as collateral security as in Schedule B) or both and out of the proceeds of such sale to make good to the mortgagee, his successors or assigns the amount which in consequence of any such default shall be payable by the mortgagor, his legal representatives or assigns.

In witness whereof the mortgagor $\frac{\text{has}}{\text{have}}$ hereunto set $\frac{\text{his}}{\text{their}}$ hand the day and year first above written.

The Schedule A above referred to.

Registration District	Registration Sub-District	Village	No. and extent of land				
			Survey No.	Total area	Extent under coffee crop in 1917-18	Assessment	Tanks, buildings wells, etc.
1	2	3	4	5	6	7	8

The schedule B above referred to.*

Registration District	Registration Sub-District	Village	If the property is house				If cultivable land				
			Boundaries of the property	Description and value of buildings and how long likely to last	Extent of building site and of vacant ground or compound	Trees, wells, etc.	Survey No.	Wet or dry	Extent	Assessment	Tanks, wells, etc.
1	2	3	4	5	6	7	8	9	10	11	12

Signed by the abovenamed *(Signature of the Borrower.)*

Witness—

1. son of village of
2. son of village of

ANNEXURE B_2.

SECURITY BOND TO BE EXECUTED BY A SURETY TO THE BORROWER OF COFFEE LOANS UNDER G. O. No.....DATED.....

Know all men by these presents that I.....of..... .....caste ..... .son of.....and residing at.....am bound to the Dewan of Mysore in the sum of Rs..... .....(amount of loan) to be paid to the said Dewan of Mysore or to his certain attorney, successors or assigns, for which payment I bind myself, my heirs, executors, administrators and legal representatives by these presents and as further security do hereby mortgage but without possession the immovable property described in the schedule hereunder written.

Whereas (name the principal borrower).....has on the..... day of... .....19.....received from the Special Officer.....an order under G. O. No.....dated.....in virtue of which he is entitled to receive the aggregate sum of rupees.....(the amount of loan) as a loan from the Government of Mysore for.....(here state the object of the loan) and whereas by a deed of mortgage (give the date) executed by the said (name of principal borrower) the payment of the said sum with interest is further secured on the immovable property described in the schedule thereto annexed. Now the condition of the above-written bond is such that if the above-bounden (name of principal borrower) his heirs, executors, administrators and legal representatives shall comply with all the terms on which the said loan has been granted and shall not apply the same or any part thereof to any purpose other than $\frac{\text{that}}{\text{those}}$ for which the said loan has been granted and shall repay the said loan with any interest payable thereon on or before the respective dates prescribed for repayment or shall in case of default in so doing make good to the Government of Mysore the amount not exceeding the said sum of Rs.... . .....for which the said (name of principal borrower) shall by any reason of such default become liable, then the above-written bond shall become void, otherwise the same shall remain in full force and the principal amount and that the interest thereon due to Government may further be realised by the sale of the mortgaged property described in the Schedule hereunder written.

(To be given when immovable property is offered as security by the surety.)

THE SCHEDULE ABOVE REFERRED TO.

Registration District	Registration Sub-District	Village	If the property is house property				If cultivable land				
			Boundaries of the property	Description and value of buildings and how long likely to last	Extent of building site and of vacant ground or compound	Trees, wells, etc.	Survey No.	Wet or dry	Extent	Assessment	Trees, wells, etc.
1	2	3	4	5	6	7	8	9	10	11	12

Signature of surety

Signed by the abovenamed in the presence of

Witness—

1. son of , village of
2. son of , village of

* To be given in cases in which other immovable property is offered as collateral security

ANNEXURE C.

SPECIAL COFFEE LOANS, 1918-19.

Vide *Government Order No. .....dated.....*

Form of consent of mortgagee to release of first charge.

This Indenture is made the.....day of.....between.....hereinafter called the releaser of the one part and.....hereinafter called the mortgagor of the other part.

Whereas by a Deed of mortgage dated the.....day of.....executed by the mortgagor in favour of the releaser, the mortgagor mortgaged the immovable property described in the Schedule hereunder written to secure the payment to the releaser of the sum of Rs.....with interest for the same as therein expressed and whereas the mortgagor is desirous of taking the loan of Rs.....from Government for working the said Scheduled Estate on certain terms and conditions one of which being that the said Government loan notwithstanding anything to the contrary contained in the above recited deed of mortgage should be treated as the first charge on the said property and whereas the releaser has agreed with the mortgagor to treat the said Government Loan of Rs.....and the interest due thereon as the first charge.

Now this indenture witnesseth that in pursuance of the said agreement and in consideration of the premises, the releaser doth hereby release the said Scheduled property from the first charge which the releaser has upon it in virtue of the hereinbefore recited Deed of Mortgage and doth further agree to postpone the same till after the said Government Loan and the interest due thereon are fully discharged.

ANNEXURE D.

THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

COFFEE TACCAVI LOANS, 1918-19.

Under Government Order No. .....dated.....

Progress Report of the Special Officer, showing the loan applications received and the stage in which each case stands.

Serial No. of application as per Application Register	Name of applicant	Name and locality of estate	Amount of loan asked for	Date or proposed date of inspection of estate	Date of Committee meeting	No. and date of decision of Special Officer or of letter to Government submitting the case for orders	No. and date of Government Order	Amount of loan	No. and date of loan order	Bank or Treasury, where loan is payable	Remarks.
1	2	3	4	5	6	7	8	9	10	11	12

MEMORANDUM.

Loans orders issued up to ... ... Rs.

Do during the week ending ... Rs.

Progressive Total ... Rs.

Date.....

Station.....

Signature of Special Officer.

ANNEXURE E.

LIST OF APPLICATIONS FOR COFFEE TACCAVI LOANS, 1918-19.

Under Government Order No.....dated.....

Serial No.	Name, father's name and residence of applicant	Village, Taluk and District of estate concerned	Number of acres fully worked in 1917-18 and that proposed to be worked in 1918-19	Nature of security offered	Amount of loan asked for	Preliminary recommendation of Special Officer as to the amount of loan that may be sanctioned	Remarks
1	2	3	4	5	6	7	8

ANNEXURE F.

Order granting a loan under Government Order No.....dated.....

1. The sum of Rs..... .....entered in the schedule attached hereto is granted to..... .....son of ....residing at.....(with the consent of.....) as a loan under Government Order No.....dated..... .....for the purpose of.....subject to the following conditions.

2. The conditions referred to are as follow:—

(*a*) That the amount of this loan shall be paid to the aforesaid (name of the borrower) in monthly instalments specified in the schedule attached hereto on the execution of the necessary security bonds, the first on the production of this order at (here enter place at which this order is to be presented for payment) and the subsequent instalments as under.....
$8\frac{1}{3}$ per cent in each of the months of June, July and August 1918, $12\frac{1}{2}$ per cent in each of the subsequent months including December 1918,
$8\frac{1}{3}$ per cent for the next three months January to March 1919.

(*b*) That the loan shall be utilized for the purpose intended, but that if any portion of the loan has been misapplied to any other purpose than that above specified or that the whole amount of the loan has not been fully applied to the purpose for which it was granted, the whole loan or such portion of it as the Special Officer may determine with interest at $6\frac{1}{4}$ per cent and costs, if any, shall be deemed to at once become due.

(*c*) That the loan with interest thereon at $6\frac{1}{4}$ per cent shall be repaid in one instalment on sale of crop in respect of which the loan is issued.

(*d*) That if default in repayment of whole or any part of the loan after the sale of the crop or the greater part thereof occurs and recovery cannot otherwise be made, the whole of the land or lands specified under condition (*e*) or such portion of it or them or of the crop hypothecated or both as the Deputy Commissioner of.....District, may deem necessary shall be sold for the recovery of the amount with interest thereon and expenses of sale, if any.

(*e*) That for the repayment of the loan with interest and cost, if any, due on the same, the immovable property specified below and the crop for raising which the loan was issued, is (in addition to other immovable property if any offered as collateral security hypothecated as security to Government.

Registration District	Registration Sub-District	Village	No. and extent of land				
			Survey No.	Total area	Extent under coffee crop in 1917-18	Assessment	Buildings, tanks, wells, etc.
1	2	3	4	5	6	7	8

Signature of the Officer granting the loan.

I have understood and agreed to the aforesaid terms and conditions.

Signature of the borrower.

[*N. B.*—To be in triplicate, to Treasury, to Deputy Commissioner and to Party. The copies to the Treasury and to the Deputy Commissioner should be prominently marked "Duplicate" and "Triplicate" respectively.]